

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6990**

**BILL NUMBER: HB 1111**

**NOTE PREPARED: Jan 1, 2007**

**BILL AMENDED:**

**SUBJECT:** Negligence Actions and Insurers.

**FIRST AUTHOR:** Rep. Tincher

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** No Fiscal Impact

**Summary of Legislation:** The bill provides that, in an action for damages based on negligence, an insurer shall be made a party defendant if (1) the action is brought by a plaintiff in Indiana and based on a claim against the insured; and (2) the insurer has an interest in the outcome of the action that is adverse to the plaintiff or any other party in the action or, by its policy of insurance, assumes or reserves certain rights or agrees to take certain actions. The bill specifies that, if a policy of insurance is issued or delivered by an insurer outside Indiana, the insurer shall be made a party defendant only if the damage allegedly caused by negligence occurred in Indiana. It provides that, in an action for damages based on negligence, the court shall allow the admission into evidence of the fact that the wrongdoer is covered by liability insurance.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586.